CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA
REGULAR MEETING

MARCH 2, 2004

INVOCATION
Rev. Peter Scardino of the Central Coast Rescue Mission gave the invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG
Councilmember Orach led the pledge of allegiance.

CALL TO ORDER
Mayor Lavagnino called the meeting to order at 6:30 p.m.

ROLL CALL
MEMBERS PRESENT
Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino.

ALSO PRESENT
City Manager Ness, Assistant City Manager Haydon, City Attorney Montandon, Director of Administrative Services Cox, Fire Chief Ortiz, Police Chief Macagni, Director of Recreation and Parks Posada, City Engineer Sweet, Utilities Manager Chisam, Planner III Shipsey, Parks Services Manager Franklin, and Chief Deputy City Clerk Perez.

Mayor Lavagnino expressed condolences on behalf of the City Council to the family of Dr. Dave Carty. He also introduced Bryan Miller, the new Public, Education and Government (PEG) Executive Director.

AMERICAN RED CROSS MONTH
Councilmember Patino read a proclamation declaring the month of March 2004, as "American Red Cross Month" in the City of Santa Maria and encouraging the residents of the community to support the Santa Barbara County Chapter's noble humanitarian mission. The proclamation was presented to Kelli McLaughlin, Director of the Office of Volunteers.

COMMUNITY ACTION COMMISSION
Councilmember Mariscal read a proclamation acknowledging and honoring the Community Action Commission and its fidelity to the mission of promoting self-sufficiency and opportunity. Councilmember Mariscal accepted the proclamation as Chairperson of the Community Action Commission.

ARBOR DAY
Councilmember Orach read a proclamation declaring March 10, 2004 as "Arbor Day" in the City of Santa Maria and encouraging community members to plant a tree in observance of Arbor Day 2004 or to make donations throughout the year to the Recreation and Parks Department's "Tree of Life" program to regenerate the City's urban forest. The proclamation was presented to Ryan Heath and Glenn Franklin from the Recreation and Parks Department.

CONSENT CALENDAR
City Manager Ness announced that Item 2H, an application for an Alcoholic Beverage license for TTE International, Inc. at 2320 Thompson Way, was being pulled from the agenda at the request of the applicant.

Councilmember Patino requested Item 2I and 2J be pulled for comment.

Councilmember Patino commented that Item 2I was a $20.00 per adult softball team registration fee adjustment. The fee was being increased to defray the costs of the softball program.

Councilmember Patino expressed concerns with Item 2J, a Mitigated Negative Declaration for the Santa Maria River Recreation Trail. She stated there were two things that bothered her: (1) would the trail intrude on private property rights; and (2) safety. She said she couldn't see taking police officers off the streets of Santa Maria to go out to the riverbed when that property was outside the City limits. With budget issues so uncertain, she had concerns about City staff working on a grant application for a trail that would cost the City money to maintain.

City Manager Ness indicated staff would address those concerns when the item came back to the Council on April 20, 2004.

Consent Calendar Items A through J were accepted, approved with the indicated action, and ordered ratified on motion by Councilmember Orach, seconded by Councilmember Patino, and carried on the following vote:

AYES: Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

A. ORDINANCES
Recommendation of City Staff to waive the reading in full of all ordinances. Ordinances on the Consent Calendar will be adopted by the same vote cast at the first reading unless City Council indicates otherwise.

B. MINUTES
The Minutes of the Regular City Council Meeting of February 17, 2004, were approved as submitted.

C. WARRANTS
Warrant Nos. 110885 to 111161 in the amount of $1,880,532.97 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant No. 105947 was cancelled.

D. PAYROLL
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads as shown on records on file in the Administrative Services Department and having been approved for payment by the Director of Administrative Services.

E. ENTERTAINMENT LICENSE
An Entertainment License for Stinky's Sports Bar and Grill at 2430 South Broadway to allow live music on Friday and Saturday from 10:00 p.m. to 1:40 a.m. and on Sunday from 1:00 p.m. to 6:00 p.m was approved.

F. INVESTMENT POLICY
Resolution No. 2004-27 was adopted approving the annual City of Santa Maria Investment Policy.

Resolution No. 2004-27 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA ADOPTING AN INVESTMENT POLICY.

G. ALCOHOLIC BEVERAGE LICENSE
A notice from the California Department of Alcoholic Beverage Control of an application for an Alcoholic Beverage License for Pacific Beverage Company at 900 Fairway Drive was noted and filed.

H. ALCOHOLIC BEVERAGE LICENSE

A notice from the California Department of Alcoholic Beverage Control of an application for an Alcoholic Beverage License in an existing industrial building for TTE International, Inc., at 2320 Thompson Way was pulled from the agenda at the applicant's request.

I. FEE ADJUSTMENT
A $20.00 per adult softball team registration fee adjustment to defray increased program costs was approved.

J. SANTA MARIA RIVER RECREATION TRAIL
The Mitigated Negative Declaration for the Santa Maria River Recreation Trail, SP-2004-001, E-2004-005, was continued to the April 20, 2004, City Council meeting to allow for additional staff review.

PUBLIC COMMENT
Ernest Armenta spoke against the propositions on the March 2nd ballot, and recommended the City install cameras in the Abel Maldonado Youth Center parking lot for safety.

Hector Gonzalez, Santa Maria Oral Health Coalition, updated the Council on the free dental clinic that was held as part of Children's Dental Health Month and spoke in favor of fluoridation.

James Watson spoke against fluoridation.

William Wagener spoke in opposition to the propositions, commended the City for hiring Bryan Miller as the PEG Director, spoke against planting certain types of trees that damage sidewalks, objected to not reading ordinances in full, and requested a full accounting of the money the City received from Comcast.

PRESENTATION BY ECONOMIC DEVELOPMENT ASSOCIATION (EDA)
Dave Cross, President of the Economic Development Association, thanked the City Council, the Chamber of Commerce, City staff, and the staff of the Economic Development Association for their cooperation and assistance.

Mr. Bill Snow, Executive Officer of the Santa Maria Valley Economic Development Association, presented the EDA's Semi-Annual Report. The EDA continues to aggressively market the advantages of the Santa Maria lifestyle to companies both inside and outside California. The magazine advertisement program gains national exposure and the trade show program allows representatives from EDA to meet face to face with companies in specific target industries. EDA's attraction efforts included one marketing mission to the Los Angeles area to call on site location consultants and attendance at the COMDEX tradeshow in Las Vegas and the Medical Design and Manufacturing show in Anaheim. EDA held its first Santa Maria CEO reception in September 2003 with five companies in attendance. The second was held in February 2004. The FedEx Ground expansion project has been completed and the Hardy Diagnostics expansion project is about to begin. This year the EDA partnered with the Center for Economic Development of California State University, Chico to produce an Economic Impact Report. The computer model used by the center identifies the fiscal impacts of the seven expansion projects that have occurred in Santa Maria over the last two fiscal years. The $14,000,000 in construction costs and the 92 new jobs created combined to contribute more than $45,000,000 to the economy of Santa Maria. Also discussed were the Manufacturer's Group formed in 2001 and the Continued Prosperity Program. Continued Prosperity Program activities included advertisements, marketing missions, trade shows, marketing materials, the business retention survey, business visitations, the web page, the Central Coast Marketing Team, and the Red Team.

Mayor Lavagnino asked about the company from Arizona that was looking for a new facility.

Mr. Snow explained that the company needed a 20,000 square foot facility that had 200 parking spaces for employees. To date a location had not been found to accommodate them.

Mayor Lavagnino suggested the EDA try to entice businesses that were leaving Santa Barbara into moving to Santa Maria.

Ernest Armenta asked if the vehicle insurance and maintenance was for EDA employees' personal cars or if cars were provided to employees. He also asked why the EDA provided separate medical insurance to its employees instead of the same insurance provided to City employees.

Mr. Snow explained that the Executive Director was provided with a vehicle and the insurance and maintenance was for that vehicle. Other employees were provided with mileage when they had to use their personal vehicles for company business.

Mayor Lavagnino indicated that the Economic Development Association was not part of the City and its employees could not be covered under the City's medical insurance.

Councilmember Mariscal expressed concern that so many square feet of new commercial space was either under construction or in the approval process when the City currently had over 420,000 square feet of vacant commercial space.

Councilmember Patino asked if EDA was doing anything to address the marginal skill level of the area by partnering with Allan Hancock College to provide trade schools and technical training.

Bill Snow indicated that Allan Hancock College had recently made a presentation on their efforts to start some new technical programs but thought trade classes were outside the realm of the college.

Council thanked Mr. Snow for his presentation.

SILVA ESTATES PROJECT

Community Development Director Lindsey and Planner III Shipsey gave the staff report. The project includes an Environmental Impact Report, E-2001-077; an amendment to the General Plan (Circulation Element) to remove proposed collector street designations that extend Centennial Street to Main Street and Rowland Drive to Fremont Street; an amendment to the General Plan (Land Use) from AOS-1 (Primary Agricultural Open Space) to LDR-5 (Low Density Residential); and a zone change from OS (Open Space) to 20 acres of PD/R-1/6,000 (Planned Development/Single Family Residential/minimum 6,000 square foot lots) and 39.6 acres of R-1/10,000 (Single Family Residential/minimum 10,000 square foot lots). On February 4, 2004, the Planning Commission recommended that the City Council certify the Final Environmental Impact Report and approve the project as amended. The Planning Commission's recommendation differs from the applicant's request. The project applicant requested a General Plan amendment from AOS-1 to LDR-5 and rezoning from OS to PD/R-1/6,000 for the entire 59.6 acre project site. The Planning Commission's recommendation includes an amendment to the Circulation Element as a cleanup issue and a General Plan (Land Use) Element.

Planner Shipsey gave an overview of the chronology of the project. The Santa Maria High School #3 Final EIR required the school to be designed in a way that separated the classrooms from existing housing. This requirement resulted in a school site design that put the track/football field at the southeast corner, the varsity baseball field at the southwest corner, and the student parking lot between the two sporting fields, which are all adjacent to the open space land of the subject project site. Based on the staff analysis of the sporting fields, varsity boy's home plate is about 132 feet from the property line. Placement of housing next to the varsity boy's baseball field creates a potential hazard to the residents living within foul-ball range of the baseball field. To further reduce the nuisance and potential safety impacts of the school sport fields on future residents, the Planning Commission recommended that the City Council apply seven conditions of approval to the project. The recommended large lot portion of the project site is surrounded by agricultural uses on three sides. The recommended larger lots help reduce urban-agricultural friction by providing more space for fewer persons to be exposed by potentially adverse agricultural impacts. Lower densities reduce the number of friction points with the County agricultural areas. Additionally, Planning Commissioners identified

large lot housing opportunities as being an economic development need. The Planning Commission did concede to the applicant's request to remove the Planned Development overlay on the 10,000 square foot lot portion of the project.

Mr. Shipsey highlighted the alternatives listed in the Environmental Impact Report including a "no project" alternative, a "mixed use" alternative, and an alternative site.

Community Development Director Lindsey gave the Council options including approving the applicant's proposed project, denying all or part of the project without any findings, referring the project back to the Planning Commission with direction that all or part of the project be modified, or continue the public hearing to allow additional research and testimony. Before taking any action on the General Plan Amendments or zoning changes, the Council must first certify the Environmental Impact Report. The EIR could use further refining in certain areas including addressing additional alternatives to the proposed project, student pedestrian traffic, and the minimum standard of five minute response by the Fire Department and whether paying mitigation fees is adequate to mitigate the impacts.

Mayor Lavagnino opened the public hearing.

Laurie Tamura, Urban Planning Concepts, indicated this property had received the most extensive review of any project she had been involved in. All the issues had been extensively reviewed and analyzed. There is development on two sides of this property and the new Pioneer Valley High School is north of the property. The EIR did incorporate an analysis of residential development associated with the high school site and the inter-relationships between the high school and the residential development including circulation, noise, visual impacts, and drainage. She discussed the softball fields at the high school and measures that had been taken to mitigate potential problems. She also reviewed the site plan for the development indicating the various lot sizes throughout the project. They agreed to all the mitigation measures and had prepared a revised site plan to comply with the Planning Commission's recommended changes.

Councilmember Trujillo asked if Ms. Tamura was comfortable with the Planning Commission's recommended changes.

Laurie Tamura replied they could accept the Planning Commission's recommendations; however, they would prefer the original plan.

Councilmember Mariscal stated the property bordered the City limits, the property to the east was not in the City's Sphere of Influence, and the agricultural community would like larger buffers between agricultural land and residential. He couldn't understand why the applicant had not included a larger buffer zone for this project.

Laurie Tamura stated the City of Santa Maria had been recognizing the needs of the agricultural community for many years. The success seemed to be using perimeter roads as the major buffer between the two uses. To establish linear parks or buffers within the project forces the issue of maintenance and setbacks on the project and the City.

Mayor Lavagnino asked why the retention basin was not kept as one larger basin instead of splitting it into two basins that the City of Santa Maria would have to maintain.

Ms. Tamura explained that both basins were designed for 100 year flows because of the agricultural runoff. They were also designed to meet the grade of the site.

Mayor Lavagnino asked if they had investigated the impact of the public address system from the football and softball fields at the high school.

Ms. Tamura stated with this particular project there will be numerous "buyer beware" notices. To do any type of setback that would mitigate that noise would eliminate the project.

Councilmember Mariscal asked why high densities for this property was not consistent with the objectives of the applicant.

Ms. Tamura stated looking at this project in relationship with the surrounding area, standard planning practices dictate that you transition out from the urban core into larger lots as you move out to the periphery. To put a higher density project in this location seemed out of character with the surrounding neighborhoods. They had no indication from City staff or the community that a higher density project would be supported.

Councilmember Mariscal stated it is the desire of the City to utilize its level two arterials specifically to serve higher density developments. Higher density along the Main Street corridor should have been considered since that side of town did not have any mixed use elements and was deemed to be somewhat exclusive. He asked what the pricing structure of the houses would be.

Ms. Tamura responded there really is not much room on the site for higher density. With the larger 10,000 square foot lots on the one side, the houses could easily be in the $500,000 range. The other side would probably start in the high $200,000's to $300,000 range.

Councilmember Orach asked about ingress and egress for the project.

Ms. Tamura showed where the access would be for both sides of the development.

Dick Weldon, representative for Mabel Dias, indicated that Ms. Dias was 100 percent in favor of the project as proposed by the applicant or as amended by the Planning Commission.

Harrell Fletcher commented this piece of property was part of an area that at some time would be part of a lineal park that will run from Suey Road to Main Street. The whole area should be developed as one piece rather than piecemeal. Even though most of it was in agriculture preserve currently, at some point in time it would be part of the City.

Ernest Armenta stated at first he wanted this project approved to help Mrs. Dias. People won't pay $500,000 for a home that backs up to Main Street with all the traffic and garbage trucks. There needs to be at least a 200 foot buffer zone. He suggested the mixed use alternative or inclusionary housing.

James Watson spoke against the larger lots and $500,000 houses. The City needs more diverse housing and not more high-priced houses.

Ms. Tamura explained what lots would be lost if a 100 foot or 200 foot buffer was required. It would eliminate half of the project and would substantially increase maintenance costs for the landscape areas.

Mayor Lavagnino closed the public hearing.

Councilmember Trujillo stated the Planning Commission looked at this project very thoroughly. Mrs. Dias is in favor of the project. It is a good project for Santa Maria. He commended the Planning Commission and staff for their work on the project.

Councilmember Orach stated Mr. Fletcher had a great idea. Fremont Street should have been the City limit line. The property to the east of the property is very valuable property. There are no alternative housing types on this side of town.

Councilmember Patino stated she had issues with the project such as a larger buffer, higher density, and planning for the entire strip of agriculture land. She expressed concerns about complaints that the City would receive from the new residents of the project related to agricultural operations, noise and lights from the high school.

Councilmember Mariscal stated he had some issues with the EIR specifically traffic circulation. He referenced a letter from Caltrans regarding traffic impacts from this project

on Highway 101. Both the applicant and staff indicated that the impacts would be mitigated by paying the traffic mitigation fees. In the future, staff needs to take into consideration that if there is a proportional impact, the project needs to pay the proportional mitigation costs. The impact fees alone are not enough to offset taking Main Street and Donovan down to a Level of Service B. The second item in the EIR is the buffer zone. This is an opportunity for the City to show the agricultural community that it is interested in being a good neighbor. The EIR says a 100 foot buffer is adequate, but it is not. By providing larger buffers on the parcel to the east and higher density on the smaller parcel to the west, a developer could still get the number of units they need to help the City meet its RENA numbers.

Mayor Lavagnino stated Harrell Fletcher made a lot of sense because this whole area may someday be in the City of Santa Maria. It is too bad that Fremont Street is not the City limits. He had no problem with the 20 acres south of the school but did with the 39 acres east of Fremont Street. The City needed to look at planning the entire area all the way out to DiBernardi's property.

Councilmember Trujillo disagreed. A lot of effort has been spent on this project. There are a lot of areas in the City for mixed use projects. The Planning Commission spent a lot of time reviewing the project and the property owner is in favor of it. The Council should move forward and approve it.

Councilmember Trujillo moved to adopt Resolution No. 2004-28 certifying the Environmental Impact Report. Mayor Lavagnino second the motion. The motion failed on the following vote:

AYES: Councilmember Trujillo, Mayor Lavagnino
NOES: Councilmembers Patino, Mariscal, and Orach
ABSENT: None
ABSTAIN: None

City Attorney Montandon advised the Council that unless there was another motion to send the project back to the Planning Commission, the Council could take no further action on the General Plan Amendment or Zone Change. He suggested the Council provide the Planning Commission and staff with some direction on what type of project the Council would like to see.

Councilmember Mariscal moved to refer the project back to the Planning Commission. The motion died for lack of a second.

APPOINTMENT TO RECREATION AND PARKS COMMISSION

Mayor Lavagnino called for nominations to fill one vacancy on the Recreation and Parks Commission for an unexpired term which will expire in January 2005.

Councilmember Orach nominated Kirk Spry.

On motion by Councilmember Orach, second by Mayor Lavagnino, and carried on the following vote:

AYES: Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Kirk Spry was appointed to the Recreation and Parks Commission to fill the unexpired term.

REPORT BY CITY MANAGER

City Manager Ness reported on items for the March 16, 2004, City Council meeting including a presentation on the Ethel Pope Auditorium renovations, the kickoff of the annual weed abatement program, and naming of a park at Crossroads. In five weeks, on

April 6th, the Council will consider the annual Community Development Block Grants allocation.

ORAL REPORTS OF COUNCILMEMBERS AND OFFICERS

Mayor Lavagnino announced that the Mayor's Select Committee had recommended Councilmember Patino for the vacant California Coastal Commission seat.

Councilmember Mariscal thanked the Santa Barbara County judges for participating in the mock trial.

Councilmember Orach complimented Councilmember Mariscal's Kiwanis Club for the trivia contest held as a fundraiser for United Way.

CLOSED SESSION

The City Council recessed at 9:15 p.m. to a Closed Session for Conference with Legal Counsel regarding existing litigation pursuant to Subsection (a) of Government Code Section 54956.9 to discuss Santa Maria Valley Water Conservation District v. City of Santa Maria; Conference with Legal Counsel regarding Initiation of Litigation – one matter pursuant to Government Code Section 54956.9 (c); and Conference with Labor Negotiator pursuant to Government Code Section 54957.6 with agency representative, Assistant City Manager, regarding several unrepresented employees including the City Attorney, Senior Deputy City Attorney, and Deputy City Attorney II.

Santa Maria Valley Water Conservation District v. City of Santa Maria – Status report. Direction to staff.

Initiation of Litigation – Status report. Direction to staff.

Conference with Labor Negotiator – Direction to staff.

ADJOURNMENT

There being no further business to come before the City Council at this time, the meeting was declared adjourned at 10:00 p.m. by order of Mayor Lavagnino.

APPROVED 4-6-04
Date

ATTEST: _____
Chief Deputy City Clerk

_____
Chief Deputy City Clerk of the City of Santa Maria and ex officio Clerk of the City Council

_____
Mayor of the City of Santa Maria